Oxford House Service Board
4911 Aurora Drive
Kensington, Maryland 20895
May 22, 1989

James R. Peluso
Deputy Director
Division of Veterans' Affairs
State of New York
194 Washington Avenue
Albany, New York 12210

Dear Mr. Peluso:

I have enclosed the material you requested about Oxford House.

As you may remember from reading the study I did for the U.S. Department of Labor -- Feasibility Study of Transitional Independent Houses for Newly Employed Homeless Veterans -- Oxford Houses are group houses that are self-supporting, self-run and alcohol and drug-free.

The Oxford House concept has worked for 13-years in the Washington area, with a significant percentage of residents being veterans. There are also Oxford Houses in Pennsylvania and Massachusetts, for a total of 29 houses. We are sure that they will work anywhere.

The Labor Department study was done before the passage of the Anti-Drug Abuse Act of 1988, which includes a section that provides for the replication of Oxford Houses or Oxford House-type houses throughout the country. The provision, which was included as a direct result of the success of Oxford House, requires that each state before it can receive its block grant for alcohol and drug abuse to set aside $100,000 to lend to recovering persons to start houses based on the Oxford House model.

The loans are for a maximum of $4,000 each to four or more recovering persons and are to be used mostly for the security deposit and rent for the first month. They are to be repaid over two years. The act stipulates that the houses are to be self-supporting, self-run and free of alcohol and drugs.

The $100,000 revolving fund in New York should be available this summer for start-up expenses. If for any reason it isn't available at the time you need it or if the red tape becomes too restrictive, you might want to find money for start-up loans elsewhere. It doesn't take much money to start a house that could provide sober housing for veterans for years at no further cost.

As a result of the act, Oxford House, Inc. has put together an organization to help establish Oxford Houses in other areas of the country. We have received a grant from the State of Vermont to open the first four Oxford Houses there and are in

negotiations with Kansas City, Mo., and the States of New York, Virginia, West Virginia, Ohio, South Carolina and others.

It may well be that Oxford House people will be starting houses in New York in the not too distant future as a result of these negotiations. The Division of Veterans' Affairs could contract to open houses for veterans while they are there.

If for some reason nothing materializes from the discussions we are having with New York, your division might want to engage Oxford House, Inc. on its own to help start the first house or houses for veterans with alcohol and drug problems.

Our method of operations is for Oxford House personnel -- house alumni and people who have lived in an Oxford House for over a year -- to go to an area, locate and lease suitable houses, find and indoctrinate the first residents on the Oxford House system, get utilities established and set up the loan so that payments are monitored and a monthly financial report provided to those who made the loan. When they leave the houses are functioning as they are supposed to.

Let us know if you have any interest in having Oxford House people help start houses for your division. My telephone is (301) 933-6251.

Whatever you decide to do, we stand ready to provide any assistance we can to help you get some houses started.

Yours sincerely,

John V. O'Neill

Enclosures: Oxford House Manual
Statement of Cong. Madigan
"Good Neighbors in Good Neighborhoods"
VA Letter